

Summary: Investigation of False Reporting to the Office of Natural Resources Revenue

Report Date: July 11, 2016

Based on the results of an Office of Natural Resources Revenue (ONRR) audit, OIG investigated allegations of possible undervaluation of salt production by an operator of Bureau of Land Management (BLM) leases in southern New Mexico. Specifically, ONRR suspected the company provided them with false information and failed to pay at least \$135,000 in royalties between 2010 and 2012.

We found that the operator did prepare and submit inaccurate production and royalty reports to ONRR during the time alleged, failed to report and pay the proper amount of mineral royalties. We could not determine, however, the total value of unpaid royalties.

The United States Attorney's Office (USAO), District of New Mexico, Criminal and Civil Divisions, and the USAO, District of Colorado, declined to accept this case for criminal or civil prosecution.

This is a summary of an investigative report that was issued to ONRR for administrative action and BLM for information.

